Development of ancillary units of Visakhapatnam Steel Plant

7232. SHRI SANJAY DALMIA: Will the Minister of STEEL be pleased to state:

(a) what is the number of letters of intent which have been issued for development of ancillary units of Visakhapatnam Steel Plant;

(b) how many of them are Small Scale Industries units; and

(c) what is the extent of workers participation in management of the Steel Plant and at what levels?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) and (b) Visakhapatnam Steel Plant have issued Letters of Intent for establishing ancillary units in 12 entrepreneurs and all the 12 units are Small Scale Industries units.

(c) For promoting workers participation and involvement in crucial areas of production, productivity and safety, Visakhapatnam Steel Plan has provided Bi-partite Forums at the Shop levels, at the Plant level and at the Corporate level. There are 45 Bi-partite Committees where workmen nominated by the recognised unions are the members. In addition, there are 10 other Bi-partite Forums where workmen are involved in matters relating to Sports, Town Development Community Welfare etc. Besides, 635 Quality Circles consisting of small groups of workmen and officers have been constituted to identify problems in their area of work and suggest solutions for the same.

Sick Iron Ore Mines in Orissa

7233. SHRI RAHAS BIHARI BARIK: Will the Minister of STEEL be pleased to state:

(a) what is the number of iron ore mines Keonjhar, Mayurbhanj and Sundergarh districts in Orissa which have fallen sick;

(b) the reasons therefor; and

(c) the steps taken to revise those iron ore mines?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): According to information furnished by the Government of Orissa, 4 mines in Mayurbhanj district, 4 in Sundargarh district and 2 in Keonjhar district are reported to be closed. Production in other mines is also stated to have fallen substantially during the year 1993 as compared to the production in the year 1992.

(b) The reason for closure and fall in production in the mines is reported to be mainly the decline in export and domestic demand.

(c) Some of the mine owners are reported to be making efforts to prepare calibrated iron ore which at present has a better market. Improved market conditions will also help in the revival of the mines.

High Cost of ferro-alloys prouced in the country

7234. SHRI JIBON ROY: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the ferro-alloys produced in the country would become costlier than imported ferro-alloys after the reduction of import duty from 85 per cent to 50 per cent as proposed in the budget;

(b) whether it is a fact that the high cost of power in domestic production of ferro-alloys as compared to imported ferro-alloys is a major hindrance for domestic ferro-alloys producers to become competitive both in domestic and overseas market; and

(c) if so, what action Government propose to take to protect the domestic ferro-alloy industry from probable loss of market and consequent under-utilisation of capacity?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) No, Sir. Even after reduction of custom duty from 85 per cent to 50 per cent the fair selling price of bulk ferro alloys like Ferro Chrome, Ferro Manganese, Silico Manganese and Ferro Silicon will be cheaper than the landed cost of imported ferro alloys.

(b. Cost of power in the domestic production of ferro alloys is quite high and accounts for 35 per cent to 45 per cent of the total cost of production of bulk ferro alloys. This is a major hindrance for the domestic ferro alloy industry to become competitive both in domestic and overseas markets.

(c) Electricity is on the concurrent list. The electricity from Central Power Station is fed into the grid and thereafter the power is distributed to the consumers by the State Electricity Boards who also determine the tariff payable. The Central Government has no control over it.

However, the Ministry of Power have written to the State Governments of Orissa, Andhra Pradesh and Maharashtra suggesting a scheme for supply of power at rates charged by National Thermal Power Corporation (NTPC)|Power Grid Corporation Limited out of surplus power being available in these areas and the concerned States agreeing to it. The scheme is applicable for 100 per cent export oriented units or units with furnaces totally earmarked for export purposes with a load exceeding 7.5 MVA and whose electricity bills accounts for 35 per cent or more of their cost of production

Steel induction furnace industry of Punjab

7235. SHRI IQBAL SINGH: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the steel induction furnace industry of Punjab is in dire straits;

(b) if so, the details thereof and the reasons thereof; and

(c) what measures Government have proposed with regard to scrap Modvat provisions and reduction of excise duty closer to the net actual receipt at present for this industry?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) and (b) The performance of steel producing units in the entire secondary steel sector including the induction furnace sector in Punjab has been adversely affected due to various reasons such as demand recession, increase in input cost like power tariff, scrap prices, etc.

(c) The representations made by the induction furnace units are under consideration of the Government.

Utilisation of Factory Wastes by SAIL

7236. SHRI DILIP SINGH JUDEV: Will the Minister of STEEL be pleased to state;

(a) whether Steel Authority of India Limited (SAIL) has started utilising factory wastes;

(b) if so, the amount of profit earned therefrom during the last three years, year-wise; and

(c) whether fly-ash bricks prepared from factory wastes have become popular in the market?